



**Billing Code 5001-06**

**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

**(Transmittal Nos. 12-56)**

**36(b)(1) Arms Sales Notification**

**AGENCY:** Department of Defense, Defense Security Cooperation Agency.

**ACTION:** Notice.

**SUMMARY:** The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

**FOR FURTHER INFORMATION CONTACT:** Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittals 12-56 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: November 19, 2012.

Aaron Siegel,  
Alternate OSD Federal Register Liaison Officer,  
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY  
201 12TH STREET SOUTH, STE 203  
ARLINGTON VA 22202-5408

NOV 15 2012

The Honorable John A. Boehner  
Speaker of the House  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 12-56, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Indonesia for defense articles and services estimated to cost \$60 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink that reads "William E. Landay, III".

William E. Landay, III  
Vice Admiral, USN  
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology



Transmittal No. 12-56

Notice of Proposed Issuance of Letter of Offer  
Pursuant to Section 36(b)(1)  
of the Arms Export Control Act, as amended

- (i) Prospective Purchaser: Indonesia
- (ii) Total Estimated Value:

Major Defense Equipment*	\$ 51 million
Other	\$ <u>9 million</u>
TOTAL	\$ 60 million
- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: 180 Block I Javelin Missiles, 25 Command Launch Units (CLU), Missile Simulation Rounds (MSR), Battery Coolant Units (BCU), support equipment, spare and repair parts, personnel training and training equipment, publications and technical data, U.S. Government and contractor technical assistance and other related logistics support.
- (iv) Military Department: Army (UAK)
- (v) Prior Related Cases, if any: None
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid:  
None
- (vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex
- (viii) Date Report Delivered to Congress: 15 Nov 2012

\* as defined in Section 47(6) of the Arms Export Control Act.

## POLICY JUSTIFICATION

### Government of Indonesia – Javelin Missiles

The Government of Indonesia has requested a possible purchase of 180 Block I Javelin Missiles, 25 Command Launch Units (CLU), Missile Simulation Rounds (MSR), Battery Coolant Units (BCU), Enhanced Basic Skills Trainer, Weapon Effects Simulator, batteries, battery chargers, support equipment, spare and repair parts, personnel training and training equipment, publications and technical data, U.S. Government and contractor technical assistance and other related logistics support. The estimated cost is \$60 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country which has been, and continues to be, an important force for the political stability and economic progress in Southeast Asia.

The proposed sale provides Indonesia with assets vital to protect its sovereign territory and deter potential threats. The acquisition of the Javelin system is part of the Indonesia Army's overall military modernization program. The proposed sale will foster continued cooperation between the U.S. and Indonesia, making Indonesia a more valuable regional partner in an important area of the world.

The proposed sale of the missiles and support will not alter the basic military balance in the region.

The principal contractors will be Raytheon/Lockheed Martin Javelin Joint Venture (JJV) in Tucson, Arizona and Orlando, Florida. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to Indonesia.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 12-56

Notice of Proposed Issuance of Letter of Offer  
Pursuant to Section 36(b)(1)  
of the Arms Export Control Act

Annex  
Item No. vii

(vii) Sensitivity of Technology:

1. The Javelin Weapon System's hardware and the documentation provided are unclassified. However, sensitive technology is contained within the system itself. The sensitivity is primarily in the software programs that instruct the system how to operate in the presence of countermeasures. Programs are contained in the system in the form of microprocessors with Read Only Memory (ROM) maps, which do not provide the software program itself. The overall hardware is considered sensitive in that the modulation frequency and infrared wavelengths could be used in countermeasure development.

2. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures that might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.